

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 64th LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: Chair Mike Miller, on March 6, 2015 at 8:00 AM, in Room 152 Capitol

ROLL CALL

Members Present:

Rep. Mike Miller, Chair (R)
Rep. Greg Hertz, Vice Chair (R)
Rep. Kathleen Williams, Vice Chair (D)
Rep. Zach Brown (D)
Rep. Rob Cook (R)
Rep. Geraldine Custer (R)
Rep. Mary Ann Dunwell (D)
Rep. Kelly Flynn (R)
Rep. Albert Olszewski (R)
Rep. Nicholas Schwaderer (R)
Rep. Bridget Smith (D)
Rep. Kerry White (R)
Rep. Nancy Wilson (D)
Rep. Daniel Zolnikov (R)

Members Excused:

Rep. Lee Randall (R)
Rep. Alan Redfield (R)
Rep. Tom Jacobson (D)
Rep. Steve Lavin (R)
Rep. Ed Lieser (D)
Rep. Edith (Edie) McClafferty (D)

Members Absent: None

Staff Present: Megan Moore, Legislative Branch
Erica Siate, Committee Secretary

Audio Committees: These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

Committee Business Summary:

Hearing & Date Posted: HB 420, 2/25/2015; HB 511, 2/25/2015; HB 591, 2/25/2015

00:01:36 Chair Miller

HEARING ON HB 420

Opening Statement by Sponsor:

00:02:03 Rep. Mary Ann Dunwell (D), HD 84, opened the hearing on HB 420, Revise oil and gas tax rates and increase distributions to local governments.

00:03:47 Rep. Redfield entered the meeting.

[EXHIBIT\(tah47a01\)](#)

[EXHIBIT\(tah47a02\)](#)

[EXHIBIT\(tah47a03\)](#)

Proponents' Testimony:

00:14:32 Heather O'Loughlin, Montana Budget and Policy Center (MBPC)

[EXHIBIT\(tah47a04\)](#)

00:20:06 Rep. McClafferty entered the meeting.

00:21:07 Adam Haight, Northern Plains Resource Council

00:23:43 Duane Catlatt, self

[EXHIBIT\(tah47a05\)](#)

00:30:04 Amy Seaman, Montana Audubon

00:31:59 Derf Johnson, Montana Environmental Information Center

00:32:50 Rep. Jacobson entered the meeting.

00:33:45 Cara Thurnger, Montana Conservation Voters

00:34:13 Kelson Young, Executive Director, Montana Coalition Against Domestic and Sexual Violence

00:36:36 Kim Abbott, Montana Human Rights Network

Opponents' Testimony:

00:37:12 Dave Galt, Montana Petroleum Association

[EXHIBIT\(tah47a06\)](#)

[EXHIBIT\(tah47a07\)](#)

00:41:34 Rep. Zolnikov left the meeting.

00:50:32 Kent Beers, Senior Vice President, Oasis Petroleum

[EXHIBIT\(tah47a08\)](#)

00:55:22 Chair Miller left the meeting.

01:01:11 Chair Hertz

01:01:21 Alan Olson, self

01:01:36 Jon Metropoulos, Montana Association of Oil, Gas, and Coal Counties

01:03:31 Mark Lambrect, Treasure State Resources Industry Association

01:04:02 EJ Redding, Roosevelt County Commission

01:04:34 Ed Bartlett, Continental Resources Company

01:07:08 Aimee Grmoljez, Fidelity Exploration

01:09:28 Bob Story, Montana Taxpayers Association (MTA)

Informational Testimony:

01:11:40 Lee Baerlocher, Department of Revenue (DOR)

01:11:57 Nick Brown, Legislative Fiscal Division

Questions from Committee Members and Responses:

01:12:17 Rep. White
 01:13:33 Rep. Dunwell
 01:14:26 Rep. Williams
 01:15:07 Lee Baerlocher, DOR
 01:16:18 Rep. Williams
 01:17:25 Kent Beers, Senior Vice President, Oasis Petroleum
 01:19:18 Rep. Williams
 01:20:22 Kent Beers, Senior Vice President, Oasis Petroleum
 01:20:25 Rep. Williams
 01:20:56 Kelsen Young, Executive Director, Montana Coalition Against Domestic and Sexual Violence
 01:21:48 Rep. Cook
 01:22:16 Dave Galt, Montana Petroleum Association
 01:22:26 Rep. Cook
 01:23:04 Dave Galt, Montana Petroleum Association
 01:23:09 Rep. White
 01:24:35 Dave Galt, Montana Petroleum Association
 01:25:53 Kent Beers, Senior Vice President, Oasis Petroleum
 01:26:12 Rep. Lieser entered the meeting.
 01:26:43 Rep. Williams
 01:28:36 Bob Story, MTA
 01:30:00 Rep. Williams
 01:30:08 Bob Story, MTA

Closing by Sponsor:

01:30:22 Rep. Dunwell

01:34:37 Chair Hertz

HEARING ON HB 591**Opening Statement by Sponsor:**

01:34:49 Rep. Christopher Pope (D), HD 65, opened the hearing on HB 591, Revise oil and gas tax laws.

EXHIBIT(tah47a09)

01:44:28 Chair Hertz

Proponents' Testimony:

01:44:41 Heather O'Loughlin, Montana Budget and Policy Center
 Exhibit(4)
 01:47:43 Adam Haight, Northern Plains Resource Council
 01:49:21 Duane Catlatt, self
 Exhibit(5)
 01:54:47 Derf Johnson, Montana Environmental Information Center
 01:55:39 Amy Seaman, Montana Audubon
 01:55:55 Cara Thuringer, Montana Conservation Voters

Opponents' Testimony:

01:56:23 Kent Beers, Senior Vice President, Oasis Petroleum

EXHIBIT(tah47a10)

02:01:45 Dave Galt, Executive Director, Montana Petroleum Association

EXHIBIT(tah47a11)

02:06:15 Alan Olson, self

02:06:27 Chair Miller returned to the meeting.

02:09:08 Ed Bartlett, Continental Resources Company

02:11:08 Aimee Grmoljez, Montana Dakota Utilities and Fidelity Exploration

02:12:13 Mark Lambrect

02:12:25 EJ Redding, Roosevelt County Commission

02:12:54 Jon Metropoulos, Montana Association of Oil, Gas, and Coal Counties

02:13:02 Bob Story, Montana Taxpayers Association (MTA)

Informational Testimony:

02:14:02 Lee Baerlocher, Department of Revenue (DOR)

02:14:17 Nick Brown, Legislative Fiscal Division (LFD)

Questions from Committee Members and Responses:

02:14:27 Rep. Cook

02:14:39 Kent Beers, Senior Vice President, Oasis Petroleum

02:15:29 Rep. Cook

02:15:35 Kent Beers, Senior Vice President, Oasis Petroleum

02:16:07 Rep. Wilson

02:16:47 Kent Beers, Senior Vice President, Oasis Petroleum

02:17:43 Rep. Wilson

02:17:59 Kent Beers, Senior Vice President, Oasis Petroleum

02:18:39 Rep. Wilson

02:19:26 Kent Beers, Senior Vice President, Oasis Petroleum

02:20:07 Rep. Williams

02:20:40 Lee Baelocher, DOR

02:22:00 Rep. Williams

02:23:12 Kent Beers, Senior Vice President, Oasis Petroleum

02:24:27 Rep. Dunwell

02:25:21 Lee Baerlocher, DOR

02:26:06 Rep. Dunwell

02:27:06 Ed Bartlett, Continental Resources Company

Closing by Sponsor:

02:28:20 Rep. Pope

02:33:36 Chair Hertz

02:33:44 Chair Miller

02:33:51 Recess

02:47:38 Chair Miller

HEARING ON HB 511

Opening Statement by Sponsor:

02:48:11 Rep. Brad Tschida (R), HD 97, opened the hearing on HB 511, Provide tax credits for contributions to scholarship organizations.

Proponents' Testimony: None

Opponents' Testimony:

02:53:33 Jim Molloy, Governor's Office
02:57:07 Rep. White
02:58:03 Jim Molloy, Governor's Office
02:59:11 Madalyn Quinlan, Office of Public Instruction (OPI)
03:01:06 Eric Feaver, MEA-MFT
03:02:42 Pat Audet, Association Director, School Administrators of Montana (SAM)
03:06:03 Bob Vogel, Montana School Boards Association and Montana Rural Education Association
03:07:35 Heather O'Loughlin, Montana Budget and Policy Center
EXHIBIT(tah47a12)
03:10:26 Dianne Burke, Montana Quality Education Coalition
03:10:55 Duane Catlatt, self
03:12:52 Denise Williams, Montana Association of School Business Officials

Informational Testimony:

03:13:47 Dan Dodds, Department of Revenue (DOR)

Questions from Committee Members and Responses:

03:14:05 Rep. White
03:14:40 Heather O'Loughlin, Montana Budget and Policy Center
03:15:03 Rep. White
03:15:13 Rep. Tschida
03:16:44 Rep. Hertz
03:16:54 Megan Moore, Legislative Services Division
03:17:17 Rep. Hertz
03:17:48 Dan Dodds, DOR
03:20:47 Rep. Hertz
03:21:20 Dan Dodds, DOR
03:21:34 Rep. Hertz
03:22:02 Madalyn Quinlan, OPI
03:22:37 Rep. Lieser
03:23:21 Pat Audet, SAM
03:24:21 Rep. Flynn
03:24:45 Rep. Tschida
03:25:05 Rep. Flynn
03:25:34 Rep. Tschida
03:26:18 Rep. Schwaderer
03:27:14 Dan Dodds, DOR

03:27:24 Rep. Schwaderer
03:28:59 Rep. Tschida
03:30:13 Chair Miller
03:31:05 Dan Dodds, DOR
03:31:21 Pat Audet, SAM
03:32:11 Rep. Williams
03:33:00 Rep. Tschida
03:35:23 Rep. Williams
03:35:43 Rep. McClafferty
03:36:16 Rep. Tschida
03:36:18 Rep. McClafferty
03:36:27 Rep. Tschida
03:37:48 Rep. McClafferty
03:37:55 Rep. Tschida
03:38:05 Rep. McClafferty
03:38:15 Rep. Tschida
03:38:22 Rep. Jacobson
03:39:02 Rep. Tschida
03:40:20 Rep. Jacobson
03:41:37 Rep. Tschida
03:41:48 Rep. Jacobson
03:42:55 Rep. Tschida
03:44:15 Rep. Jacobson
03:45:51 Rep. Tschida
03:47:00 Rep. McClafferty
03:47:30 Rep. Tschida
03:48:25 Rep. McClafferty
03:48:49 Heather O'Loughlin, Montana Budget and Policy Center

Closing by Sponsor:

03:49:24 Rep. Tschida

03:56:06 Chair Miller

ADJOURNMENT

Adjournment: 03:56:36

Erica Siate, Secretary

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Additional Documents:

EXHIBIT([tah47aad.pdf](#))